

AN ORDINANCE

BY COMMUNITY DEVELOPMENT/HUMAN RESOURCES COMMITTEE

AN ORDINANCE TO CREATE THE “ORIDAN AT WILLIS MILL HOUSING URBAN ENTERPRISE ZONE” LOCATED AT 64 WILLIS MILL ROAD SW ATLANTA, GA 30311; TO PROVIDE EXEMPTION FROM CITY AD VALOREM REAL PROPERTY TAXES FOR A PERIOD OF TEN YEARS AT THE RATE PRESCRIBED BY AND IN ACCORDANCE WITH STATE LAW; TO PROVIDE NOTIFICATION TO AFFECTED GOVERNMENTAL ENTITIES; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to state law, the City of Atlanta has authority to designate property or properties meeting certain thresholds as Urban Enterprise Zones (UEZ); and

WHEREAS, it is the expressed intent of the Atlanta City Council to use the creation of urban enterprise zones as an incentive to generate private investment in areas of the City which otherwise might not attract such investments for construction and job creation purposes; and

WHEREAS, the designation of a residential urban enterprise zone exempts, in whole or in part for a period of ten (10) years, the taxable value of property within the zone only from City ad valorem taxes; and

WHEREAS, any exemption as a result of rehabilitation after the creation of the residential urban enterprise zone is limited to the value of improvements added to the existing structure after the creation of the zone, and potentially the value of the land, but only at such time as the value of the improvements added exceed the value of the land, as of the date of the creation of the zone, by a factor of eight or more; and

WHEREAS, in the case of rehabilitation of existing structure(s), the designation of a residential urban enterprise zone exempts the real property from city ad valorem taxes for one-hundred percent (100 %) of its taxable value for the first five years after creation; eighty percent (80%) for the next two years; sixty percent (60 %) for the next year; forty percent (40 %) for the next year; and twenty percent (20%) for the last year; and

WHEREAS, Elephant Properties GA-LLC (“applicant”) has applied for the creation of a residential urban enterprise zone encompassing 0.4687 acres at 64 Willis Mill Road SW, Atlanta, GA 30311 (“subject property”) and to be known as “Oridan at Willis Mill Housing UEZ” (“the project”); and

WHEREAS, as more fully described at Exhibit “B” hereto, the project proposes the rehabilitation of sixteen (16) rental apartment units at the subject property with 100 % of the units to be for residents who earn less than sixty (60%) of the area median income (AMI); and

WHEREAS, creation of the Oridan at Willis Mill Housing UEZ for the purpose of facilitating the rehabilitation of 100% affordable housing units is consistent with the Housing Element of the City’s Comprehensive Development Plan; and

WHEREAS, the subject property is zoned C-1 which permits multi-family residential uses; and

WHEREAS, the Commissioner of the Department of Planning and Community Development has certified, as shown on Exhibit "C" to this Ordinance, that he has received a complete application from the applicant for the creation of the enterprise zone in accordance with City Code; and

WHEREAS, the Office of Planning has reviewed the application and determined that the conditions and qualifications of the Atlanta/Fulton County Urban Enterprises Zone Act, as amended, have been met relative to the creation of the proposed Oridan at Willis Mill Housing UEZ; and

WHEREAS, the City held a public hearing on the question of creating the Oridan at Willis Mill Housing UEZ at the November 29, 2010 Community Development/Human Resource Committee's quarterly public hearing; and

WHEREAS, upon review of the application and based upon the public hearing, it is found that the area in and around the subject property that would be designated as the Oridan at Willis Mill Housing UEZ is economically and socially depressed; contributes to or causes unemployment, creates an inordinate demand for public services and, in general, has a deleterious effect on the public health, safety, welfare, and morals; that the area is characterized by having no investment or under-investment by private enterprise in ventures which produce jobs, trade, provision of services, and economic activities which individually and together contribute to a healthy society; and that this lack of private investment and activity contributes to social and economic depression in the area.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: The "Oridan at Willis Mill Housing Urban Enterprise Zone" is hereby created at 64 Willis Mill Road SW, Atlanta, Georgia 30311, said zone and real property being more fully described at Exhibit "A", attached hereto, and made a part hereof.

SECTION 2: The real property described in Exhibit "A" is hereby exempted from city ad valorem taxes to the extent authorized and in accordance with state law and Sec. 9-68 of the Code of Ordinances.

SECTION 3: The term of the Oridan at Willis Mill Housing UEZ shall be for ten years (10) beginning on January 1, 2012 and ending on December 31, 2021. The Oridan at Willis Mill Housing UEZ shall otherwise not be abolished except as provided in state law.

SECTION 4: The Municipal Clerk is hereby directed to transmit a certified copy of this Ordinance within 30 days of passage to the Fulton County Tax Commissioner, the Fulton County Board of Assessors, the Georgia Department of Community Affairs and the Superintendent of the Atlanta Board of Education.

SECTION 5: The Office of Planning and the Office of the Municipal Clerk are hereby directed to maintain on file a copy of this Ordinance, including all related maps, legal descriptions, and application information.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Community Development and Human Resources

Caption:

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Council Meeting Date: February 21, 2011

Requesting Dept.: Planning and Community Development

FAC Confirmed by: N/A

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

Example: The purpose of this legislation is to anticipate funds from a local assistance grant to purchase child safety seats.

The purpose of this legislation is to approve a housing enterprise zone application (rehab) for a 16 unit complex located in NPU I, district 10

2. Please provide background information regarding this legislation.

Example: The task force of homelessness conducted a study regarding homelessness, its impact and consequences on the City. This resolution reflects the Mayor's desire to open a twenty-four hour center that will respond to the needs of the homelessness in Atlanta.

This complex has sat idle for several years and the developer has proposed a rehab project to make available affordable housing in this neighborhood.

3. If Applicable/Known:

- (a) Contract Type (e.g. Professional Services, Construction Agreement, etc): NA
- (b) Source Selection:
- (c) Bids/Proposals Due:
- (d) Invitations Issued:
- (e) Number of Bids:
- (f) Proposals Received:
- (g) Bidders/Proponents:
- (h) Term of Contract:

4. Fund Account Center (*Ex. Name and number*):

Fund: _____ Account: _____ Center: _____

5. Source of Funds: *Example: Local Assistance Grant*

6. Fiscal Impact: A tiered reduction in property taxes receipts from the property but only if property actually rehabbed.

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: none

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.***
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.***

This Legislative Request Form Was Prepared By: gbrown

EXHIBIT A

IDENTIFICATION OF THE APPRAISED PROPERTY

The subject property is located on the east side of Willis Mill Road just south of Martin Luther King, Jr. Drive in Land Lot 205 of the 14th District within the city limits of Atlanta in Fulton County, Georgia. Fulton County tax records identify the subject property as tax parcel 14-0205-0003-095. The improvements consist of an apartment complex identified by tax records as 64 Willis Mill Road, SW, Atlanta, Georgia 30311.

The subject site is improved with three two-story apartment buildings connected by a common roof. Each building is separated by ten-foot open stairwells. The buildings contain a total of sixteen garden (flat) apartment units.

According to Fulton County tax records, the subject parcel comprises 0.4687 acres. According to a legal description based on a survey dated April 24, 2000, the subject site comprises 20,486 square feet which equates to 0.4703 acres. For purposes of this report, we have utilized a site size of 0.47 acres or 20,486 square feet. Differences are considered insignificant and would have no effect on market value.

The subject apartments were constructed in 1960 according to tax records. Copies of tax plats and a legal description may be found on the following pages.

Legal Description

ALL THAT TRACT or parcel of land lying and being in Land Lot 205 of the 14th District of Fulton County, Georgia, and being more particularly as follows:

BEGINNING at a 3/4 inch pipe found on the easternmost right of way line of Willis Mill Road (50 foot right of way) at a point on said right of way line located 125.0 feet southerly, as measured along said right of way line, from the intersection of said right of way line with the original right of way line of Martin Luther King Drive; from said point of beginning, thence leaving said eastern right of way line of Willis Mill Road and running south 87 degrees 12 minutes 58 seconds east a distance of 233.05 feet to a 1/4 inch rebar found on the easternmost Land Lot line of Land Lot 205 (said line also being the westernmost Land Lot line of Land Lot 180); thence running in a generally southerly direction along said Land Lot line south 02 degrees 57 minutes 18 seconds west a distance of 88.00 feet to a 3/8 inch rebar found on said Land Lot line; thence leaving said Land Lot line and running north 87 degrees 13 minutes 01 seconds west a distance of 232.54 feet to a 1/4 inch rebar set on the easternmost right of way line of Willis Mill Road; thence running along said easternmost right of way north 02 degrees 37 minutes 08 seconds east a distance of 88.00 feet to a 3/4 inch pipe found on said right of way line, said point being the point of beginning.

The above described property having an area of 20,485.59 feet, and having located thereon a two story apartment building known as no. 64 Willis Mill Road, according to that certain survey for Symphony Holdings, LLC and Southtrust Bank, said survey being prepared by DeKalb surveys, Joseph C. King, R.L.S. No. 1418, said survey being dated April 24, 2000.

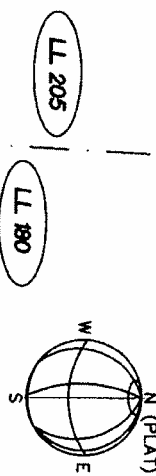
MA-10 088

GENERAL NOTES:

1. This Plot has been prepared without the benefit of a current title report. Easements or encumbrances may exist that are not shown on this plot.
2. This plot is subject to any restrictions, easements, covenants or restrictions that may exist either written or unwritten.
3. Underground utilities not shown hereon may exist. The Surveyor does not take responsibility for absence or presence of any such utilities.
4. No Geodetic monuments were found within 500 feet of this site.
5. This Plot has been prepared for the exclusive use of the person(s) or entities named hereon.

EASEMENTS DEED BOOK 2404 PG 334
DEED BOOK 254 PG 510

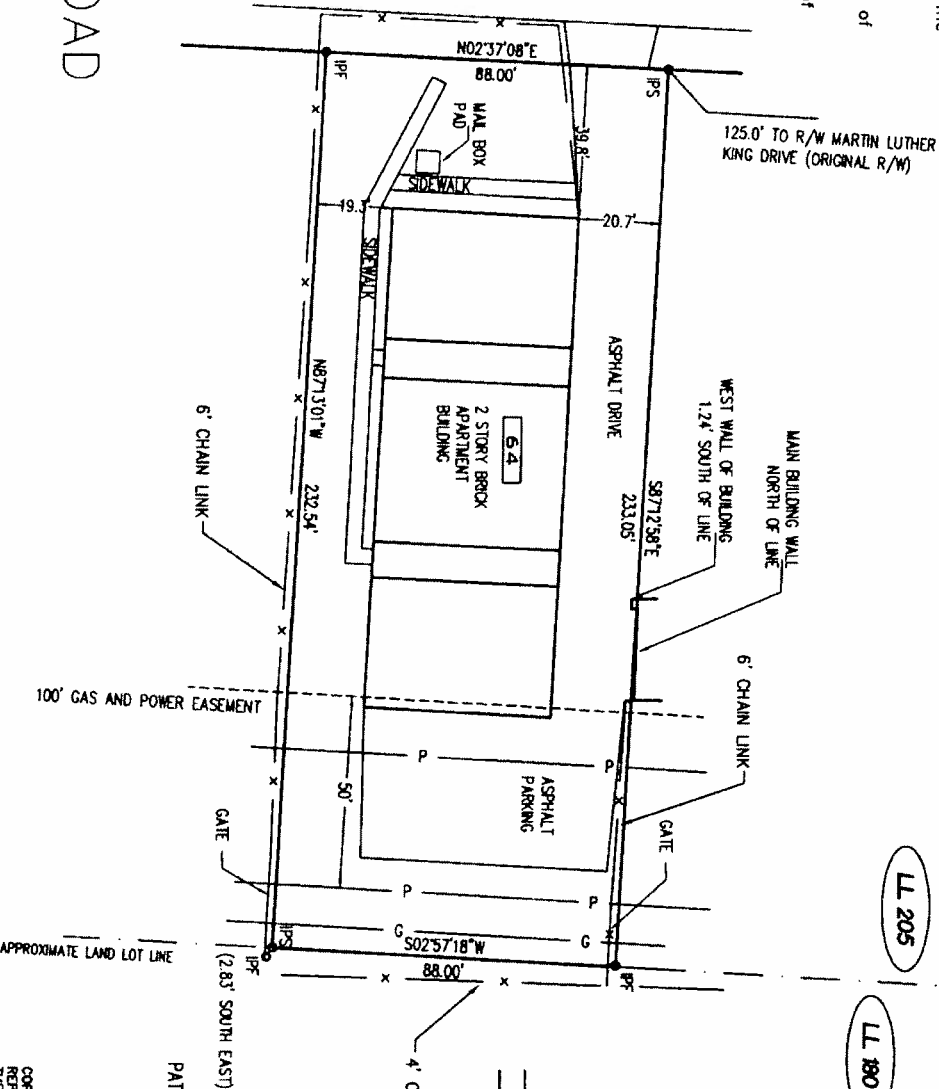
FLOOD HAZARD NOTE: THIS PROPERTY IS NOT LOCATED IN A
FLOOD HAZARD AREA AS DETERMINED BY FEMA MAP OF FULTON
COUNTY 131700229E DATED JUNE 22, 1998



LEGEND

- P — OVERHEAD POWER
- G — UNDERGROUND GAS LINE
- R/W — RIGHT OF WAY
- PF — BORN FOR FOUND (1/2" REBAR)
- O — 1/2" REBAR SET
- LL — LAND LOT

WILLIS MILL ROAD
(50' R/W)



TOTAL AREA: 20.486 FT SQ. 0.47 AC
CALCULATED PLAT CLOSURE: 1:90.887
FIELD DATA:
TRAVERSE PRECISION: 1:10,000+
AND AN ANGULAR ERROR OF 2 SECONDS PER ANGLE
AND WAS UNADJUSTED
EQUIPMENT:
TOPCON GPT 3005 TOTAL STATION

BOUNDARY SURVEY FOR
ELEPHANT PROPERTIES GA 1, LLC

64 WILLIS MILL ROAD

CITY OF ATLANTA, FULTON COUNTY, GEORGIA
LAND LOT 205, DIST 14
DATE: APRIL 24, 2000
REVISION 1: UPDATE FENCE LOCATION, NAME, AND RESET PINS 6-29-10



PATRICK F. CAREY, GA PLS #3077
FOR:
DEKAB SURVEYS, INC.
403 W. PENCE DE LEON
SUITE 106
DECATUR, GEORGIA 30030
404.571.9003
COPY RIGHT 2010-THIS DRAWING AND
REPRODUCTIONS ARE THE PROPERTY OF
THE SURVEYOR AND SHOULD NOT BE
REPRODUCED, PHOTOCOPIED OR USED IN
ANY WAY WITHOUT THE WRITTEN
PERMISSION OF THIS SURVEYOR
—DRAWN IN THE U.S.A.—

EXHIBIT B

**City of Atlanta, Georgia HOUSING Urban Enterprise Zone
Application
Bureau of Planning 55 Trinity Avenue
Suite 3350
Atlanta, Georgia 30303**

| |
|--|
| Project Information |
| Type of UEZ: Housing |
| Project Name: The Oridan at Willis Mill |
| Project Street Address: 64 Willis Mill Road Atlanta, GA 30311 |
| Project Tax Parcel Identification Number(s): 14-0205-0003-095-1 |

| |
|--|
| Applicant Information |
| Applicant: Elephant Properties GA I LLC |
| Contact Name: Yoav Bitter |
| Address: 69-12 Harrow Street Forest Hills, NY 11375 |
| Telephone: 212-591-0046 Fax: 212-591-6757 e-mail: yb@elephantproperties.com |

| |
|--|
| Developer Information (if different from applicant) |
| Developer: Elephant Properties GA I LLC |
| Contact Name: Yoav Bitter |
| Address: 69-12 Harrow Street Forest Hills, NY 11375 |
| Telephone: 212-591-0046 Fax: 212-591-6757 e-mail: yb@elephantproperties.com |

| |
|--|
| Property Owner Information |
| Property Owner: Elephant Properties GA I LLC |
| Contact Name: Yoav Bitter |
| Address: 69-12 Harrow Street Forest Hills, NY 11375 |
| Telephone: 212-591-0046 Fax: 212-591-6757 e-mail: yb@elephantproperties.com |

| | |
|---|---------------------|
| Date of mandatory Pre-Application meeting: | |
| Date of mandatory NPU meeting: | Name of NPU: |
| NPU decision on application: | |

Financing of Project

Name of Bank: N/A

Other Finance Sources: Self Financed

Amount: N/A

URFA Bond N/A

State Low-Income Housing Tax Credit

CDBG N/A

Other Self Financed

* Please provide copies of all documentation or applications submitted to any/all of the above lending institutions or financial resource entities.

AUTHORIZATION BY PROPERTY OWNER FORM

(Required only if the named applicant is not the sole owner of the subject property.)

I/WE Elephant Properties GA I LLC (printed names of all owners of the subject property) HEREBY SWEAR/AFFIRM THAT I/WE IS/ARE THE OWNER(S) OF THE SUBJECT PROPERTY THAT IS LOCATED AT

64 Willis Mill Road Atlanta, GA 30311

☒ (legal address of the subject property, which may differ from the mailing address; please verify the property address with the Bureau of Planning), AS IS SHOWN IN THE PROPERTY TAX RECORDS OF Fulton (Fulton or DeKalb) COUNTY, GEORGIA, WHICH IS THE SUBJECT MATTER OF THE ATTACHED URBAN ENTERPRISE ZONE APPLICATION. I/WE HEREBY AUTHORIZE THE PERSON WHO IS NAMED BELOW TO FILE THIS APPLICATION, AS MY AGENT, WITH THE BUREAU OF PLANNING AND TO SERVE AS THE APPLICANT (CONTACT PERSON). I UNDERSTAND THAT, ALTHOUGH OTHER PARTIES MAY ALSO BE INVOLVED WITH THIS APPLICATION (SUCH AS A DEVELOPER, BUILDER, REAL ESTATE FIRM, ATTORNEY, ETC.), THE NAMED PERSON IS THE OFFICIAL APPLICANT.

Printed Applicant Information:

LAST NAME Bitter FIRST NAME Yoav TITLE Mang. Member
PROFESSION Owner COMPANY Elephant Properties GA I LLC
MAILING ADDRESS 69-12 Harrow Street Forest Hills, NY 11375
OFFICE PHONE NUMBER 212-591-0046 CELLPHONE 917-316-2992
FAX NUMBER 212-591-6757 E-MAILADDRESS yb@elephantproperties.com

(Printed Name of Property Owner #1)
Elephant Properties GA I LLC

(Signature of Property Owner #1)

(Printed Name of Property Owner #2)

(Signature of Property Owner #2)

PERSONALLY APPEARED BEFORE ME ON THIS _____ day of _____,
2_____: _____
(printed name(s) of all property owners).

Notary Public:

_____ (printed name) _____ (signature)

Description of the developer's relevant development and building experience,
including other specific projects that have been completed within the City of Atlanta,
within Metropolitan Atlanta, or in Georgia.

Yoav Bitter: Seasoned Real Estate & Investment professional with over 20 years of diversified experience in both disciplines and in many roles: Investor, Adviser, Property manager, Developer, Builder, Fund Manager, VC, Banker / Lender, Research Analyst and Owner.

International experience of doing sophisticated and complex cross boarder deals in 5 continents (South and North America, Europe, Asia and Africa)

Long history of proven successful track record with complex multimillion RE projects from concept to completion with IRR that exceeds Investor's expectations and industry standards.

Over 6 years of class A Institutional discipline and background: Bear Stearns & Co Inc, Hambros Inc.

International first class education: Executive MBA- Baruch College NYC, BA in Economics Queens College NYC, RE studies in Tel Aviv Law School Tel Aviv Israel and in NY University RE School NYC, many cores in NY institute of Finance, Hebrew University Jerusalem.
Involved in more than 3 billion USD real estate projects

Elephant Properties team has EXTENSIVE EXPERIENCE in very diverse RE projects over the years.

Developed and built ground up industrial projects, class "A" office building residential/hotel projects and retail, involved in building "mix use" project that included a combination of the above.

Redeveloped and converted existing structures into a change of use from industrial to residential, from office to luxury apartments and retail, from Hotel into high end apartments retail and F& B operations.

Rezoned and zoned agriculture land and industrial land into residential.

Increased the FAR (buildable area) going through master city and state planning boards

Redeveloped land mark buildings going through Land Mark committees.

Designed and developed a total virgin land to subdivision and master planning including roads, access roads, sewage system, electric & gas, public spaces and parks.

Anticipated total development cost, including land acquisition, land development,
and construction/renovation by phases. State whether the land has already been
acquired or whether the applicant/developer has an option to buy.

| | | |
|--------------------|---------------|----------------------------|
| Land Acquisition : | \$80,000.00 | Done June 2010 |
| Cleaning site: | \$25,000.00 | Done August 2010 |
| Fence: | \$37,500.00 | Done September 2010 |
| Site Work: | \$56,000.00 | Estimated Finish June 2011 |
| Renovations: | \$375,000.00 | Estimated Finish July 2011 |
| Soft Cost: | \$40,000.00 | |
| Total: | \$ 613,500.00 | |

Proposed development schedule, broken down by land acquisition, land development, and construction/renovation by phases, if any.

| | | |
|-------------------------------|--------------|----------------------------|
| Land & Building Acquisition : | \$80,000.00 | Done June 2010 |
| Cleaning site: | \$25,000.00 | Done August 2010 |
| Fence: | \$37,500.00 | Done September 2010 |
| Site Work: | \$56,000.00 | Estimated Finish June 2011 |
| Renovations: | \$375,000.00 | Estimated Finish July 2011 |

Project “financial specifications”, including 1) anticipated costs for land acquisition, land development, and construction by phases, if any; 2) investment types; 3) prospective funding sources; and 4) copies of funding letters from at least two financial institutions, stating that such institutions have either made funding commitments for project loans or at least that they are considering funding requests that have been submitted to them.

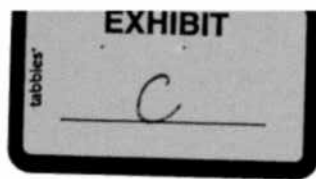
| | | |
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| Soft Cost: | \$40,000.00 | |

Total: \$ 613,500.00

ALL SELF FINANCE

Certification of the timeliness of housing unit construction - applicant/ developer certifies that the construction of at least 30 percent of the proposed housing units would be constructed or renovated by the end of the first year after which the enterprise zone is created.

ALL 16 UNITS WILL BE DONE BY JULY 2011



ORIDAN MILLS HEZ CRITERIA RANKING

| Criteria | Required | Proposed | Compliance |
|--|--|----------------------|------------|
| Evidence of Pervasive Poverty | Poverty Rate of $\geq 20\%$ for the Census Block Group | 20+ | yes |
| Unemployment (per the 2000 Census) | Census Tract having at least 10% higher than the State Average of 5.7% | 25.70% | yes |
| General Distress | Police Beat High crime rate of $\geq 20\%$ (as of April 2008) | | yes |
| Underdevelopment | Underdevelopment: The NPU has $\leq 20\%$ of the amount of Development Activity compared to the city as a whole for the proposed type of development | 6.90% | yes |
| Acreage | none | | |
| CDP Consistency | CDP Land Use Classification | commer | |
| Zoning Compliance | | C-1 | yes |
| Project Readiness | $\geq 30\%$ of Units to be Initiated in Year 1 | 100% | yes |
| Project Specificity | Project Specific Zone or $\geq 50\%$ f Area-wide Zone | NA | |
| Non-Displacement | Minimum Displacement | None | |
| Affordability (Housing and Mixed-Use Residential/Commercial Enterprise Zones) | 20% of total units and 10% of each housing type is affordable to households whose income does not exceed 60% of the median income for the Atlanta MSA (low income). 20% must bear monthly rents $\leq 30\%$ of low-income level, adjusted by family size. 20% must bear purchase prices $\leq \$131,780$ or 2.2 median income for the Atlanta MSA. | 100% | yes |
| Provision for Atlanta Police officers and their families (Housing and Mixed-Use Residential/Commercial Enterprise Zones) | 5% of available units to be offered to Atlanta Police officers and their families at purchase prices or monthly rents, which do not exceed the low-income level of affordability. <u>Sales</u> -affordable units $>20\%$ of total exemption, or <u>Rental</u> -(cumulative basis over the 1st five years | NA | |
| Financial Feasibility | Chief Financial Officer's Statement of Fiscal Impact a. negative cash flow, or b. debt coverage ratio <1.20 , or c. a variable-ratio DCR equivalent to said fixed-rate ratio, based upon reasonable assumptions as certified | 100% private finance | |

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE BYRD

Dept.'s Legislative Liaison: Garnett Brown

Contact Number: Ext. 6724

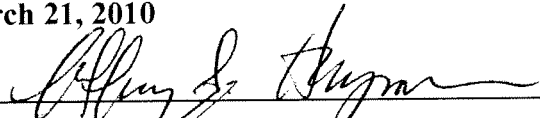
Originating Department: Planning and Community Development

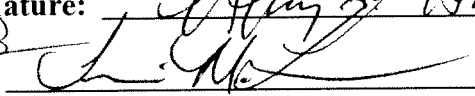
Committee(s) of Purview: Community Development / Human Resources

Chief of Staff Deadline: February 25, 2011

Anticipated Committee Meeting Date(s): March 15, 2011

Anticipated Full Council Date: March 21, 2010

Legislative Counsel's Signature: 

Commissioner Signature: 

Chief Procurement Officer Signature: N/A

CAPTION

AN ORDINANCE

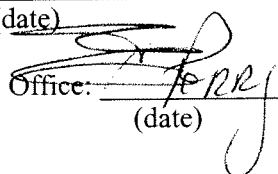
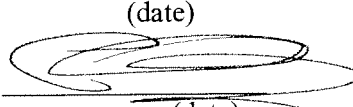
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FINANCIAL IMPACT (if any)

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) 2/25/11 (date)

Received by Mayor's Office:  Reviewed by: 
(date) (date)

Submitted to Council: _____
(date)